

HR 4159

Simplified USA Tax Act of 2007

Congress: 110 (2007–2009, Ended)

Chamber: House

Policy Area: Taxation

Introduced: Nov 13, 2007

Current Status: Referred to the House Committee on Ways and Means.

Latest Action: Referred to the House Committee on Ways and Means. (Nov 13, 2007)

Official Text: <https://www.congress.gov/bill/110th-congress/house-bill/4159>

Sponsor

Name: Rep. English, Phil [R-PA-3]

Party: Republican • **State:** PA • **Chamber:** House

Cosponsors

No cosponsors are listed for this bill.

Committee Activity

Committee	Chamber	Activity	Date
Ways and Means Committee	House	Referred To	Nov 13, 2007

Subjects & Policy Tags

Policy Area:

Taxation

Related Bills

No related bills are listed.

Simplified USA Tax Act of 2007 - Repeals, after 2006, income tax and estate and gift tax provisions of the Internal Revenue Code of 1986. Replaces such Code with a new tax system, to be known as the Simplified USA Tax.

Establishes three income tax brackets at 15, 25, and 30% for individual taxpayers. Redefines "gross income" and allows certain exclusions from gross income, including previously-taxed benefits, tax-exempt bond interest, compensation for injuries and sickness, and gain from the sale of a principal residence. Allows tax deductions for alimony and child support, home mortgage interest, certain higher education expenses, and charitable contributions. Allows a tax credit for employee social security payroll taxes.

Revises rules for Roth individual retirement accounts (Roth IRAs) to allow taxpayers to make contributions up to the amount of their adjusted gross income. Allows tax-free withdrawals from Roth IRA for any purpose after five years. Establishes new rules for deductible IRAs, annuities, and endowment and life insurance contracts.

Revises tax rules for business entities to: (1) establish an 8% tax rate for the first \$150,000 of gross profit (12% for profit in excess of \$150,000); (2) allow a tax credit for social security payroll taxes; (3) exempt from taxation all export sales income and other foreign-source income; and (4) establish new tax rules for tax-exempt organizations and certain financial institutions.

Actions Timeline

- **Nov 13, 2007:** Introduced in House
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